

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Karen P. Hewitt***

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For Immediate Release

NEWS RELEASE SUMMARY - May 9, 2008

United States Attorney Karen P. Hewitt announced today a federal grand jury sitting in San Diego handed up a 13-count indictment charging convicted felon William Wright with conspiracy, mail fraud, wire fraud and money laundering. According to court documents, Wright was the lead salesman for an investment fraud scheme that operated out of San Diego, California, from October 2002 through October 2003.

According to the indictment, Wright sold investments for the Rose Fund, LLC, a start-up company formed to solicit investor money to fund loans secured by real property. He also solicited investments for TRF Holdings, Inc., a related entity formed to provide "seed money" to capitalize the Rose Fund. Wright targeted as prospective TRF Holdings, Inc. investors individuals whom he had previously solicited for unrelated investment opportunities.

The indictment alleges that, in order to make sales, Wright misrepresented to investors, among other things, that investor funds were safe and would be used to make loans secured by real estate; Wright would receive a 5% sales commission; the businesses were well-established and successful; and Wright had

invested his own funds. It is further alleged that Wright intentionally misled TRF Holdings, Inc. investors into believing that their investments would be used to fund real estate loans rather than provide seed money for the Rose Fund. In addition, the indictment charges that Wright concealed from investors that he had been previously convicted of mail and wire fraud and that the Securities and Exchange Commission had begun an investigation of the Rose Fund in April 2003.

According to the indictment, Wright fraudulently obtained more than four million dollars from investors during the one year that the fraud scheme operated. He is accused of having fraudulently diverted substantial amounts of investor funds to himself, funneling excessive sales commissions to his two corporations, Who Banging Marketing, Inc. and YAE, Inc.

This case was investigated by Special Agents of the Internal Revenue Service - Criminal Investigation Division, the United States Postal Inspection Service and the Federal Bureau of Investigation.

William Wright is scheduled to appear before United States Magistrate Judge Cathy Ann Bencivengo for arraignment and bail hearing on May 13, 2008 at 10:30 a.m.

DEFENDANT

Case Number: 08cr1515BEN

William Wright

SUMMARY OF THE CHARGES

Count 1 - Title 18, United States Code, Section 371 - Conspiracy to Commit Mail and Wire Fraud
Maximum Penalties: 5 years in prison, \$250,000 fine, 3 years' supervised release

Counts 2-7 - Title 18, United States Code, Sections 1341 and 2 - Mail Fraud
Maximum Penalties: 20 years in prison, \$250,000 fine, 3 years' supervised release

Counts 8-9 - Title 18, United States Code, Sections 1343 and 2 - Wire Fraud
Maximum Penalties: 20 years in prison, \$250,000 fine, 3 years' supervised release

Count 10 - Title 18, United States Code, Section 1956(h) - Conspiracy to Launder Money
Maximum Penalties: 20 years in prison, \$500,000 fine, 3 years' supervised release

Count 11-13 - Title 18, United States Code, Sections 1956 (a)(1)(A)(i) and 2 - Money Laundering Promotion
Maximum Penalties: 20 years in prison, \$500,000 fine, 3 years' supervised release

PARTICIPATING AGENCIES

Internal Revenue Service - Criminal Investigation
United States Postal Inspection Service
Federal Bureau of Investigation

An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.